<u>REMARKS</u>

Favorable reconsideration of the application is respectfully requested in light of the amendments and remarks herein.

Claims 1-11 were pending in this application. By the present Amendment, Claim 1 is canceled, Claims 2, 3, 5-9 and 11 are amended and Claims 12-13 are added. In addition, the title is amended as requested in the Office Action, and a proposed drawing change is attached for FIG. 1.

Claims 1-4, 8, 9 and 11 were rejected under 35 U.S.C. 102(b) over U.S. Patent No. 5,412,487 ("Nishimura"). The remaining claims were rejected under §103 over Nishimura in view of one or more other patent references. Applicant submits that all claims in this application, at least in the form amended herein, are patentable over the cited references for at least the following reasons:

Claim 1 has been canceled in favor of newly presented Claim 12, which is submitted to more clearly articulate the claimed subject matter. In contrast to Claim 12, Nishimura does not disclose or suggest a special effect image generation apparatus for processing an image signal to generate a special effect, that includes:

"image conversion means for performing predetermined image conversion utilizing special effects to an input image signal, thereby providing a converted image signal;

extraction condition setting means for setting luminance and/or chrominance extraction conditions to be applied to the converted image signal, said extraction conditions being selected by an operator;

key signal output means for generating and outputting a key signal according to the set extraction conditions; and

a mixing circuit for processing a selected portion of said converted image signal in accordance with said key signal." (emphasis added)

In the Nishimura apparatus, the operator does not select luminance and/or chrominance conditions to be set, where such conditions are applied to a special effect converted image signal. Instead, the operator in Nishimura chooses a specific *region* in an image in order to select an object encompassing that region. The Nishimura apparatus samples the region selected for luminance/chrominance and then determines the boundaries of the overall object based on the sample. This technique is markedly different from the present invention as set forth in Claim 12, in which the operator selects luminance and/or chrominance conditions to be set for the entire image (with optional masking of regions not to be impacted). Advantageously, a special effect image with distinctive luminance and color can easily be prepared (see abstract).

Accordingly, in light of the above significant difference, Applicant's invention of Claim 12 is patentable over Nishimura.

The remaining claims in this application are patentable over Nishimura based at least upon their dependencies from Claim 12.

Further, by way of example, new Claim 13 claims that the extraction condition setting means further includes extraction means for extracting a plurality of luminance and/or chrominance conditions present in the image signal for selection by the operator. It should be readily apparent that none of the cited references discloses or suggests this feature.

Conclusion

In light of the foregoing, entry of this Amendment, and the allowance of this application with Claims 2-13, is respectfully solicited.

The above statements concerning the disclosures in the cited references represent the present opinion of Applicant's representative and, in the event that the Examiner disagrees,

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Applicant's representative respectfully requests the Examiner specifically indicate those portions of the references providing the basis for a contrary view.

It is submitted that the claims in this application, as originally presented, are patentably distinct over the prior art cited by the examiner, and that these claims were in full compliance with the requirements of 35 U.S.C. 112. Changes to these claims, as presented herein, are not made for the purpose of patentability within the meaning of 35 U.S.C. §§101, 102, 103 or 112. Rather, these changes are made for clarification and to round out the scope of protection for the invention.

In the event that additional cooperation in this case may be helpful to complete its prosecution, the Examiner is cordially invited to contact Applicant's representative at the telephone number written below.

Respectfully submitted, FROMMER LAWRENCE & HAUG LLP

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